

Testimony
Engrossed Senate Bill 2012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
March 12, 2015

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division, I am Jeff Stenseth, Director of Southeast Human Service Center (SEHSC) and South Central Human Service Center (SCHSC) for the Department of Human Services (Department). I am here today to provide an overview of the programs and services that make up the budget request for the SEHSC and SCHSC.

Southeast Human Service Center (SEHSC)

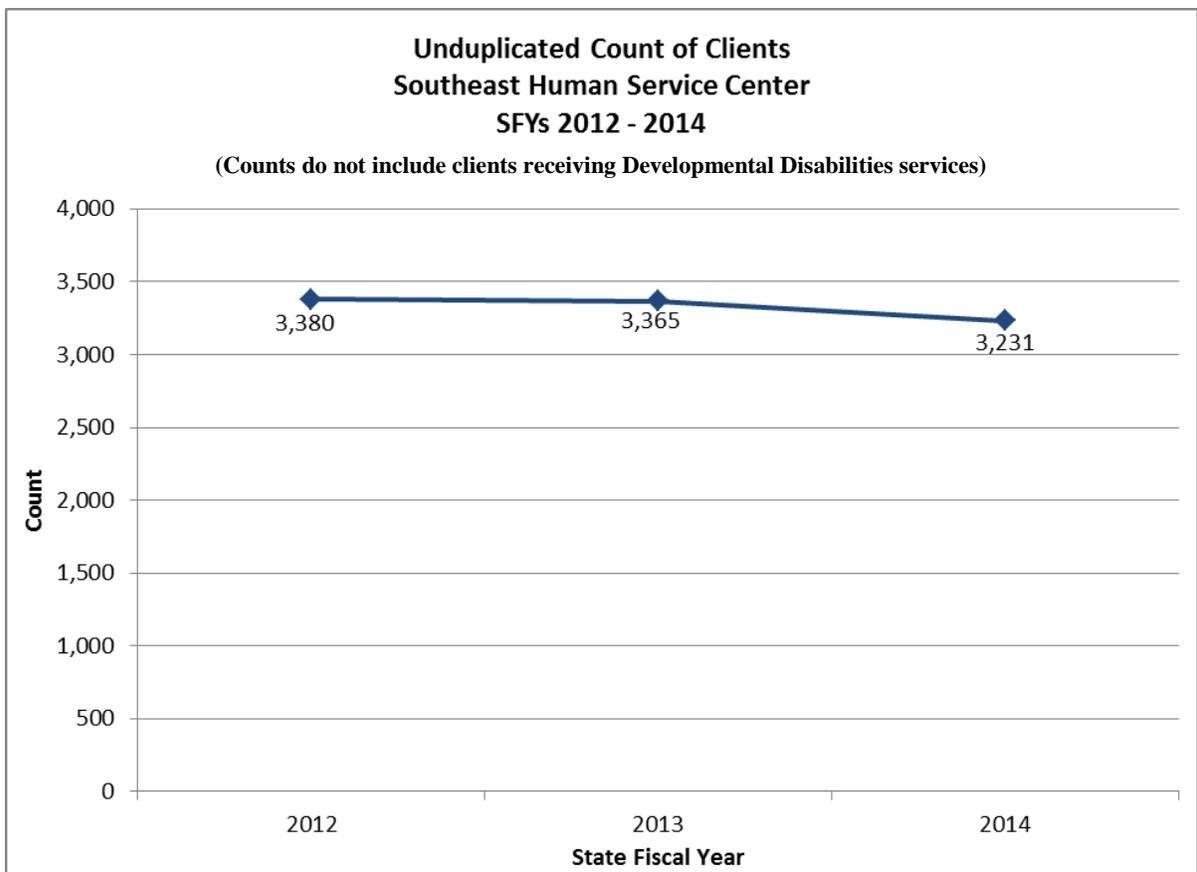
SEHSC provides community behavioral health and safety net services to individuals who live in Steele, Traill, Cass, Ransom, Sargent and Richland counties, in Region V. The region is comprised of 198,779 residents (27.5% of the state's population) as estimated by the 2013 U.S. Census Bureau.

In addition to providing a range of behavioral health services from our primary office location, SEHSC provides clinical services at satellite locations including Mayville, Hillsboro, Hope, Lisbon, Finley, Hunter, Enderlin, and Wahpeton.

SEHSC continues to partner with the jail, law enforcement, the courts, and probation and parole to provide services to clients with mental illness and substance abuse from the local correctional system. We maintain involvement in adult and adolescent drug courts, the jail diversion program, training law enforcement in Crisis Intervention Team certification, and providing mental health assessments and psychiatric services at the Cass County Jail.

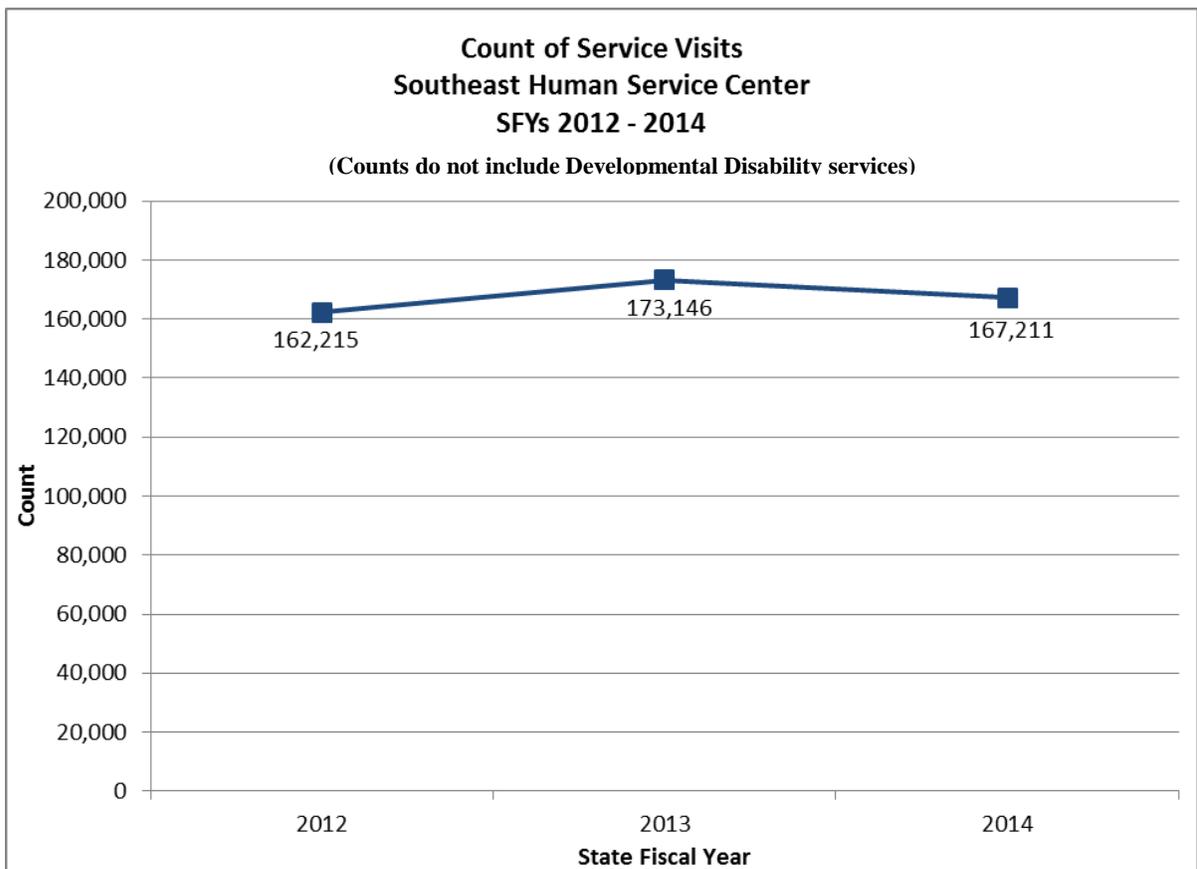
The demand for addiction treatment services for adults in our region continues. During this biennium, the SEHSC 15-bed crisis residential unit, 15-bed and eight-bed residential units have consistently remained at a high census. In order to serve a larger number of adult addiction treatment clients in a more efficient manner SEHSC provides a majority of its outpatient addiction treatment services in a Treatment Mall format.

Caseload/ Customer Base:



The services included in the chart above are: individual, family and group therapy, medication management, case management/care coordination, evaluations and assessments.

Decrease in client count due to difficulty filling positions (long term vacancies) of Licensed Addiction Counselors and Psychiatrists.



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Decrease in client count due to difficulty filling positions (long term vacancies) of Licensed Addiction Counselors and Psychiatrists.

Payer/Payment Type:

Percent of Patients Visits by Insurance Type in SFY 2014 (7/1/2013 – 6/30/2014)

	NWHSC	NCHSC	LRHSC	NEHSC	SEHSC	SCHSC	WCHSC	BLHSC
1) Medicare	2.6%	2.7%	4.5%	3.6%	3.2%	5.2%	3.0%	4.6%
2) Medicaid	51.7%	24.5%	34.4%	42.3%	44.0%	52.7%	36.6%	37.6%
4) Private Insurance	13.5%	9.4%	11.7%	9.4%	5.5%	8.0%	9.9%	16.5%
5) Sliding Fee Schedule	29.4%	61.7%	47.4%	38.4%	45.1%	23.5%	40.7%	20.0%
6) Self-Pay	2.8%	1.8%	2.0%	6.3%	2.2%	10.7%	9.9%	21.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

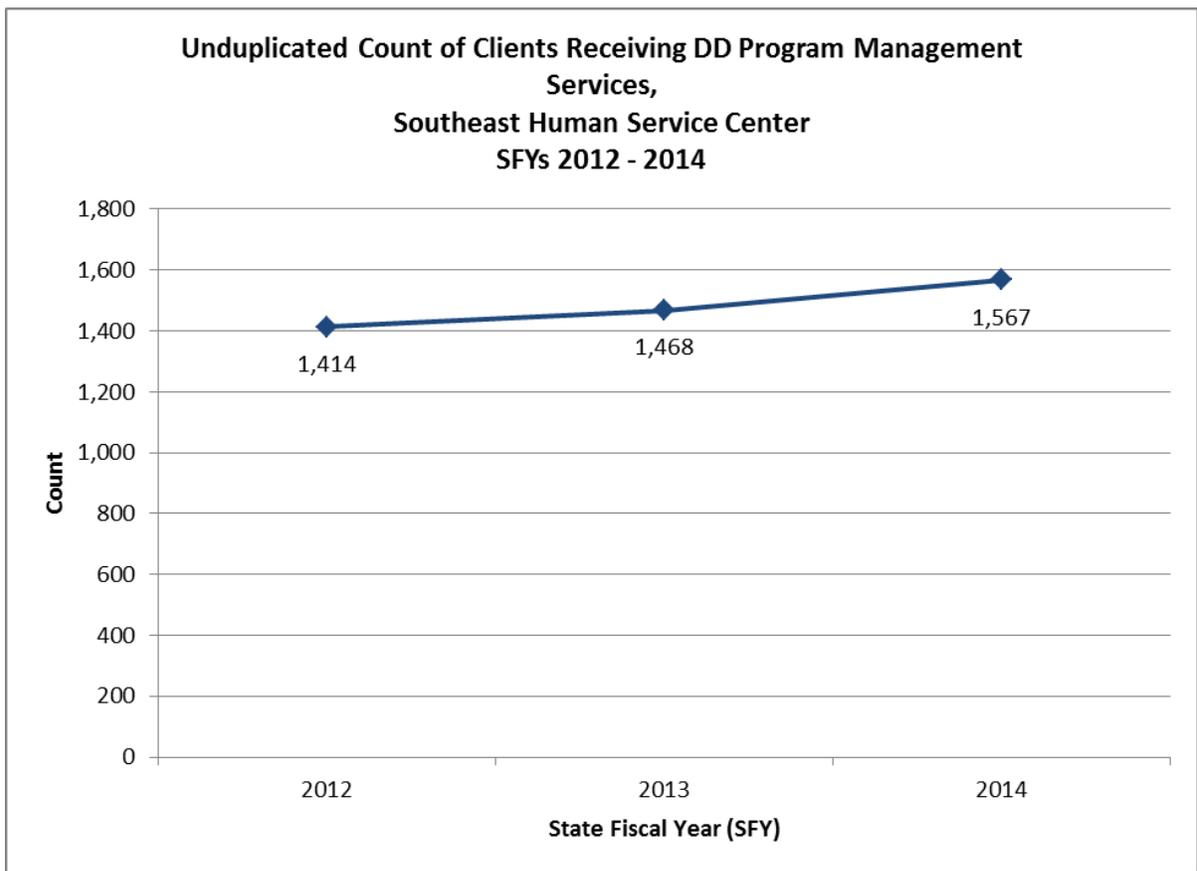
Selected Programs – Client Count:

Unduplicated Counts of Clients by Selected Programs Across the Human Service Centers July 2013 through June 2014

	NWHSC	NCHSC	LRHSC	NEHSC	SEHSC	SCHSC	WCHSC	BLHSC
Chemical Dependency	215	538	755	940	1162	387	1193	165
SMI Extended Care	88	174	92	420	724	249	359	102
Medical Services	708	1351	861	1270	1674	1157	1634	632
Outpatient Services	344	811	956	1252	1322	1078	1577	758
Children's Partnership Program	1	108	16	130	186	20	173	10
Low Intensity Offender Treatment		17	3	48	106		114	36

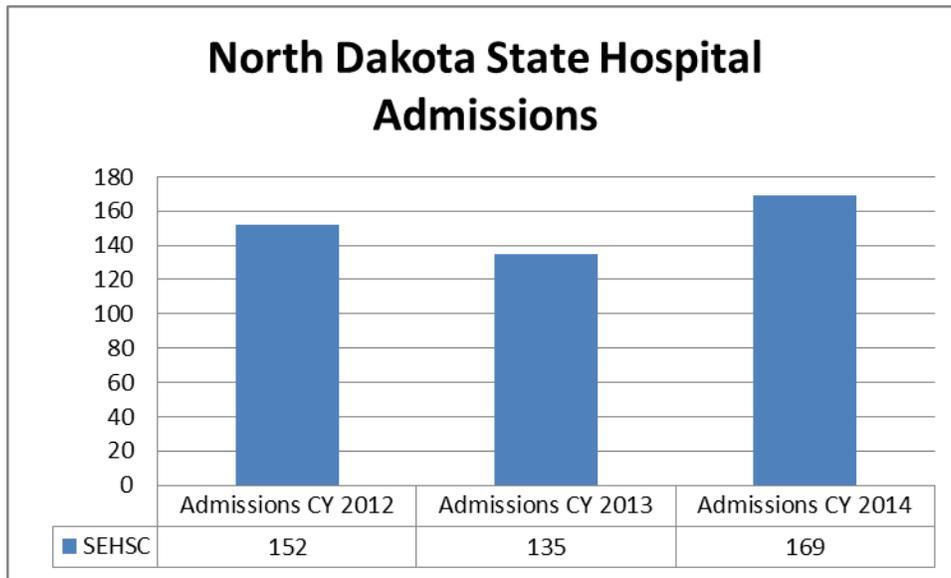
ROAP Program Enrollment Extract for SFY 2014. The data excludes program enrollments for Adolescent Treatment Center, Developmental Disabilities, Dual Disordered (Intellectual Disabilities/Mentally Ill), Health Tracks, Infant Development, and Supported Employment.

Developmental Disabilities (DD) Program caseload continues to grow:

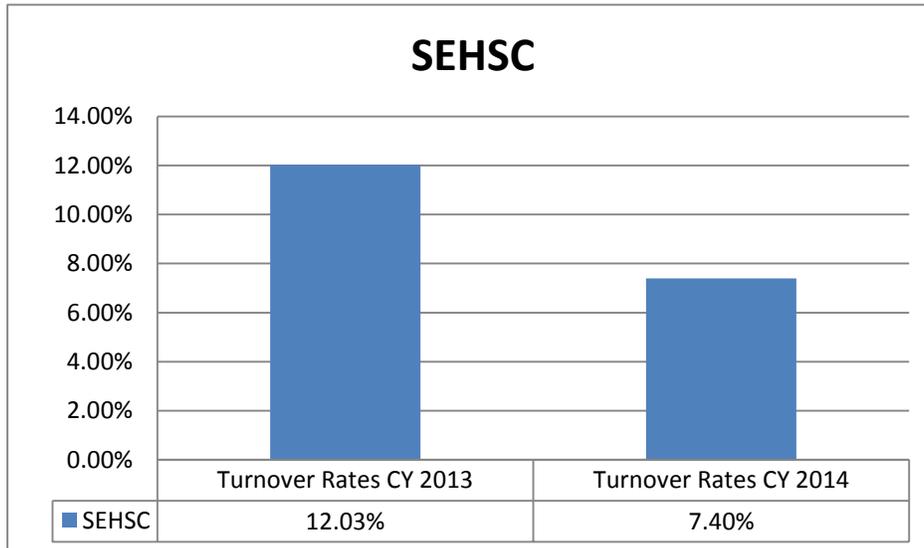


North Dakota State Hospital Admissions:

- Region V accounted for 17% of all admissions to the North Dakota State Hospital (NDSH) during a three year reporting period (CY 2012- 2014). Prior to transfer to NDSH local option are considered through partnerships with Prairie St. Johns for contracted inpatient care, Dacotah Foundation for contracted residential care, and the two pilot projects (Mobile Crisis and Clay County Medical Detox).



Turnover Rate – Southeast Human Service Center



Integrated Dual Disorder Treatment (IDDT):

- SEHSC is continuing to see a consistent demand for case management services for individuals with serious mental illness or who are dual diagnosed, with both serious mental illness and chemical dependency. Individuals who receive case management services typically require multiple services and generally more intensive services.
- We have just finished our seventh full year of implementing a high fidelity evidence-based practice of IDDT which has proven to improve the quality of life for adult individuals with co-occurring mental and chronic substance use disorders. IDDT outcomes include reduced rates of relapse, hospitalization (local and NDSH), arrest, incarceration, and utilization of high cost services while increasing continuity of care, quality of life outcomes, stable housing, employment, and independent living.

The Percent Difference In the Average Number of Days/Visits for Each Outcome Indicator for Month 1 to Months 12, 24, 36, 48, and 60

Outcome Indicator	Months				
	1 to 12	1 to 24	1 to 36	1 to 48	1 to 60
# of Days in Acute(local) Psychiatric Hospital	-27.5%	-39.1%	-39.1%	-30.4%	-33.3%
# of Days in Long-Term Psychiatric Hospital (NDSH)	-48.7%	-54.1%	-67.4%	-61.6%	-84.9%
# of Days in Crisis Residential	-52.6%	-56.0%	-55.2%	-28.4%	-67.2%
# of Emergency Room Visits	3.0%	-18.2%	-30.3%	9.1%	-60.6%
# of Days Incarcerated	-18.2%	17.5%	-68.6%	-46.0%	-27.0%
# of Days Receiving Residential Services	-71.7%	-82.6%	-52.2%	-34.1%	-42.8%
# of Days Homeless	-46.8%	-71.7%	-17.2%	-69.0%	-75.0%

Child Welfare Services:

- In the child welfare area, the region continues to experience a high volume in the number of Child Protection Service (CPS) reports done in response to reports of child abuse and to the number of children in foster care.

Total Number of Paid (reimbursement to county social services for completing an assessment) CPS Assessments

Region	SFY 2012	SFY 2013	SFY 2014
Northwest	365	373	378
North Central	698	690	789
Lake Region	271	281	379
Northeast	922	908	935
Southeast	1,347	1,422	1,411
South Central	226	240	246
West Central	906	930	967
Badlands	295	287	451
Total	5,030	5,131	5,556

FRAME CPS Payment Report data

Number of Children in Foster Care by Region (as of the last day of the state fiscal year)

Region	06/30/2011	06/30/2012	06/30/2013	06/30/2014
Northwest	72	96	112	135
North Central	93	99	111	129
Lake Region	114	106	128	163
Northeast	141	155	186	225
Southeast	228	251	239	244
South Central	57	62	96	78
West Central	172	169	192	194
Badlands	40	59	52	74
Total	917	997	1,116	1,242

FRAME FC Demographic Report data – point in time

Overview of Budget Changes – Southeast Human Service Center

Description	2013 – 2015 Budget	Increase / (Decrease)	2015 – 2017 Executive Budget	Senate Changes	2015-2017 Budget To House
HSC/Institutions	39,113,767	4,424,075	43,537,842	(643,105)	42,894,737
General Fund	23,227,492	3,360,647	26,588,139	(597,150)	25,990,989
Federal Funds	14,660,159	858,867	15,519,026	(45,955)	15,473,071
Other Funds	1,226,116	204,561	1,430,677	0	1,430,677
Total	39,113,767	4,424,075	43,537,842	(643,105)	42,894,737
Full Time Equivalent (FTE)	187.15	1.00	188.15		188.15

Budget Changes from Current Budget to Executive Budget

The overall budget increase of \$4,424,075 can be mainly attributed to the following:

- \$2,457,441 in total funds of which \$2,294,088 is general fund to fund the Governor’s compensation package;
- \$516,035 in total funds of which \$352,119 is general fund needed to continue the employee increases approved by the last Legislative Assembly;
- The salary underfunding changed from \$422,179 to \$501,057, which is a net change of (\$78,878);
- \$163,348 in total funds, of which \$138,846 is general fund was included in the Executive Budget for the addition of a child welfare regional supervisor to meet increased demand in foster care and child protective services;
- \$119,190 in total funds, of which \$119,190 is general fund for a full time nurse for the telemedicine/Clozapine clinic. The FTE was transferred from another area within the Department during the current biennium. This budget is not requesting the authorization of an additional FTE;
- \$39,099 to maintain our current 24.2 temporary employees;

- \$56,162 in the budget for Overtime due to the workload demands of the DD case managers;
- \$256,378 in Travel is mainly due to increased motor pool usage and increased rates established by the Department of Transportation for state fleet vehicles;
- \$15,611 in Extraordinary Repairs based upon the OMB formula;
- \$13,303 in Rents and Leases – Equip and Other for bus tokens for clients in chemical dependency services;
- (\$40,874) in IT-Communications costs due to a rate reduction in the amounts paid to the Information Technology Division.
- Grants, Benefits & Grants increased by \$699,855 and is mainly attributed to the following:
 - Inflationary increases of 4% each year of the new biennium for providers for a total of \$428,860;
 - An increase of \$146,459 for the psychiatric residency program for the telemedicine/Clozapine clinic;
 - An increase of \$137,170 to continue the contracted provider inflationary increases from the current biennium.

Senate Changes:

\$535,890 in total funds, of which \$489,935 is general fund to decrease the Governor’s compensation package to reflect a change in the state employee performance increase from 3% - 5% to 2% - 4%, remove market policy point equity increase, and to remove the 1% retirement contribution.

\$107,215, in total funds, of which \$107,215 is general fund to decrease the annual provider inflation from 4% to 3% each year of the biennium.

This concludes my testimony on the 2015–2017 Executive Budget for Southeast Human Service Center. I would be happy to answer any questions.

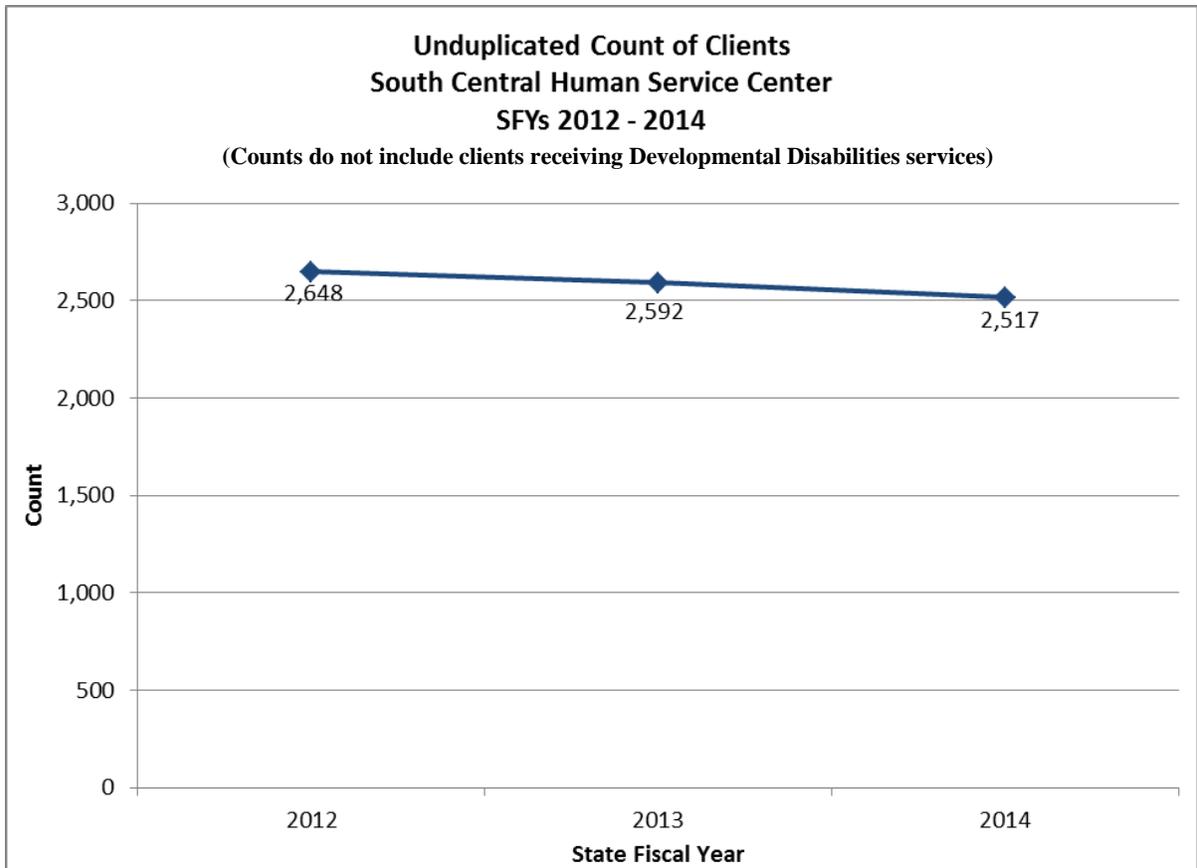
South Central Human Service Center (SCHSC)

SCHSC provides community services to individuals who live in Foster, Wells, Griggs, Barnes, Stutsman, LaMoure, Dickey, McIntosh and Logan counties. This region encompasses 10,441 square miles and has a population of 56,292 residents (8% of the state’s population) as estimated by the 2013 U.S. Census Bureau.

In addition to providing a range of behavioral health services from our primary office location, SCHSC provides clinical services at satellite locations including Valley City, Oakes, Carrington, Cooperstown, Wishek and Fessenden.

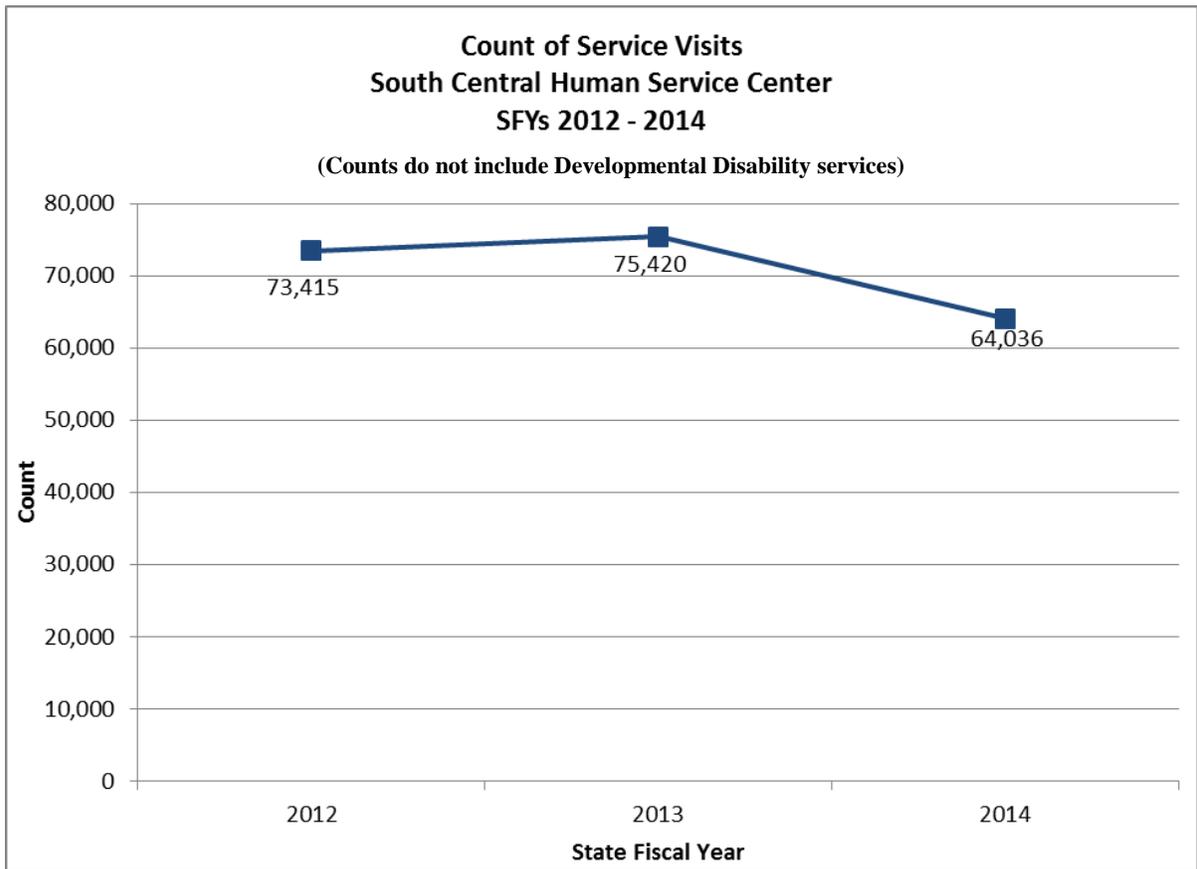
SCHSC has continued to work in community collaboration, with efforts to partner in the development of the IDDT program, participation in the James River Addiction Training Consortium, Jamestown Housing Coalition, Mental Health Access Coalition (Valley City) and partnering in the community Health and Safety Coalition, all in an effort to improve service coordination and delivery to advance the lives of the clients we serve.

Caseload/ Customer Base:



The services included in the chart above are: individual, family and group therapy, medication management, case management/care coordination, evaluations and assessments.

Decrease in client count due to difficulty filling positions (long term vacancies) of Licensed Addiction Counselors and Clinical Nurse Specialists.



The services included in the chart above are: individual, family and group therapy, medication management, case management/care coordination, evaluations and assessments.

Decline in service visit count is due to 99 day addiction licensure suspension and difficulty filling positions (long term vacancies) of Licensed Addiction Counselors and Clinical Nurse Specialists.

Selected Programs – Client Count:

Unduplicated Counts of Clients by Selected Programs Across the Human Service Centers July 2013 through June 2014

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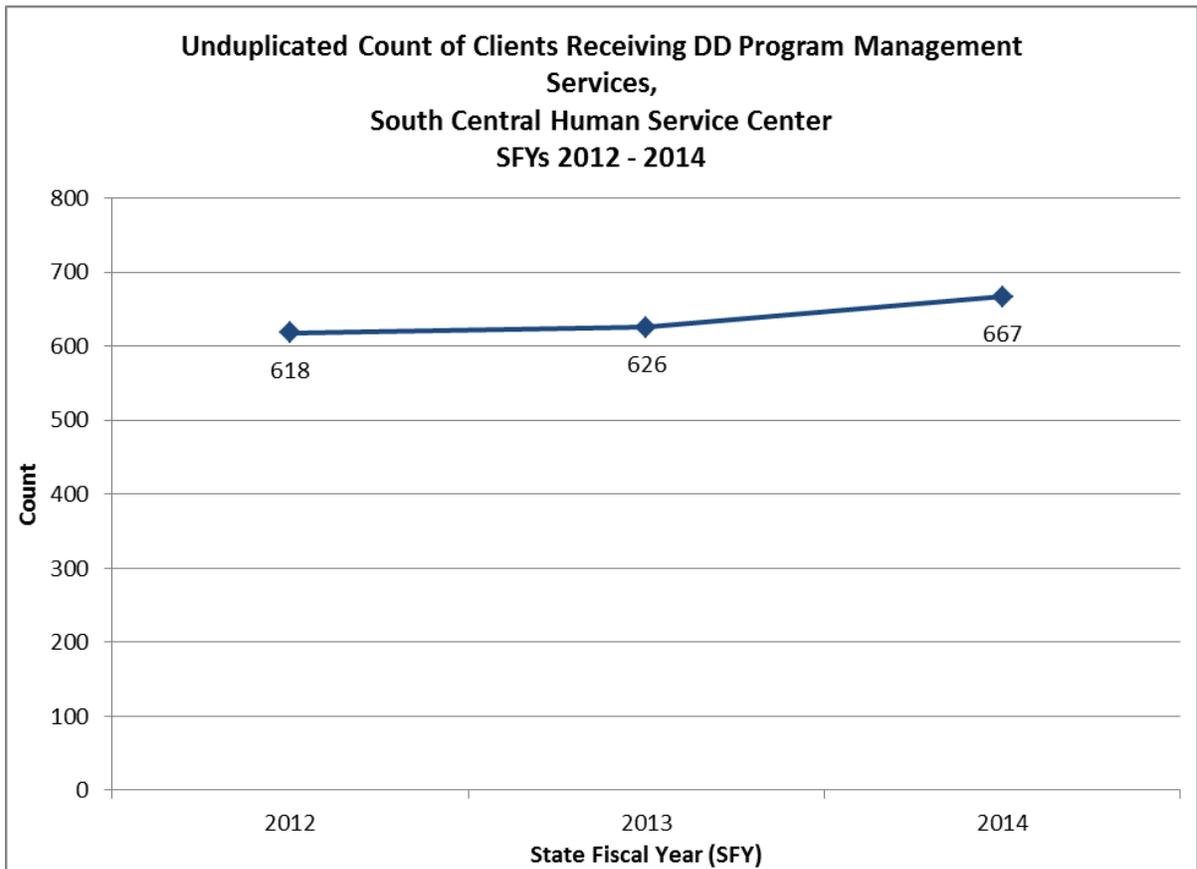
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2) Medicaid	51.7%	24.5%	34.4%	42.3%	44.0%	52.7%	36.6%	37.6%
4) Private Insurance	13.5%	9.4%	11.7%	9.4%	5.5%	8.0%	9.9%	16.5%
5) Sliding Fee Schedule	29.4%	61.7%	47.4%	38.4%	45.1%	23.5%	40.7%	20.0%
6) Self-Pay	2.8%	1.8%	2.0%	6.3%	2.2%	10.7%	9.9%	21.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

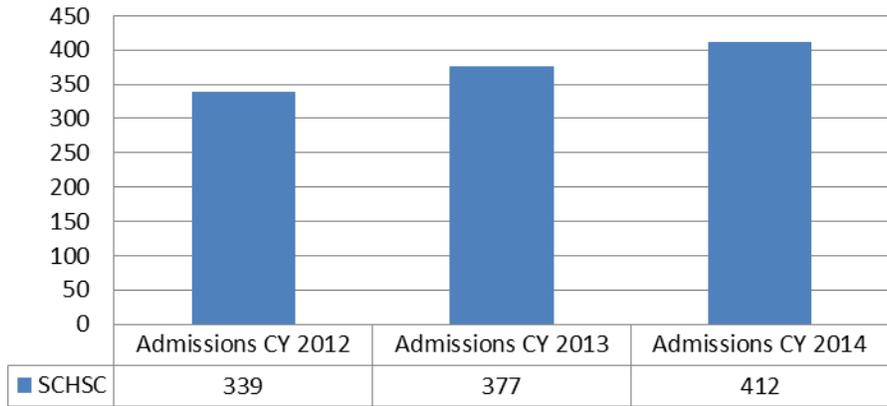
The Developmental Disabilities (DD) Program caseload continues to grow:



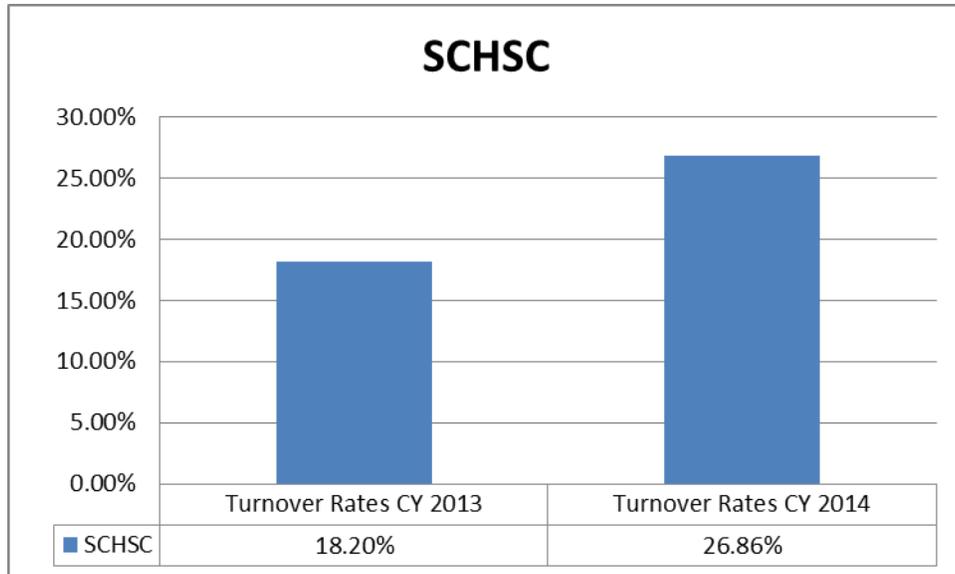
North Dakota State Hospital Admissions:

- SCHSC accounted for 42% of the total admissions to the North Dakota State Hospital (NDSH) during a 3 year reporting period (CY 2012-2014). As Region VI has no private inpatient mental health treatment facility or medical detox, the NDSH is utilized for acute inpatient needs, detox, as well as for longer term hospitalization needs. Individuals from Region VI also access out-of-region private psychiatric hospitals.

North Dakota State Hospital Admissions

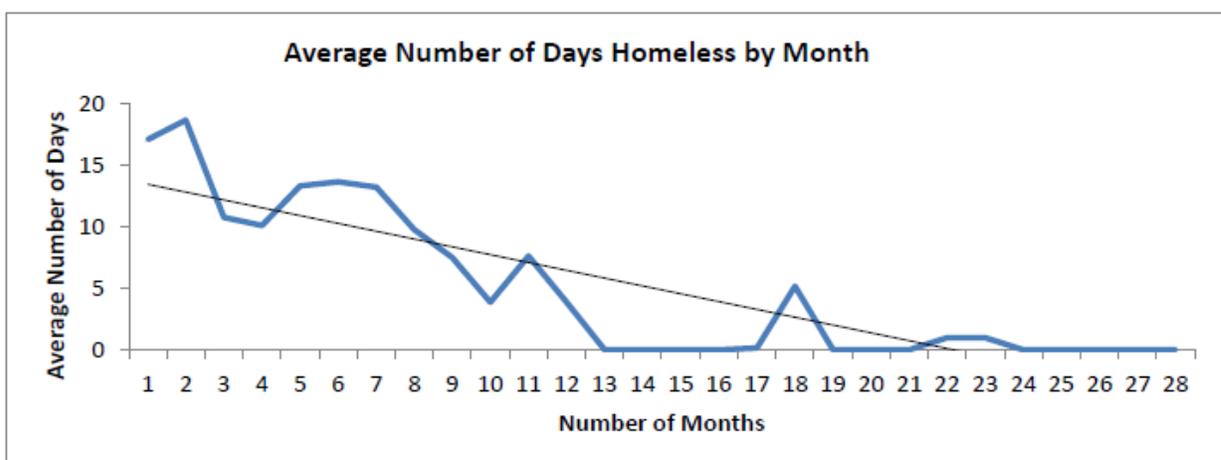
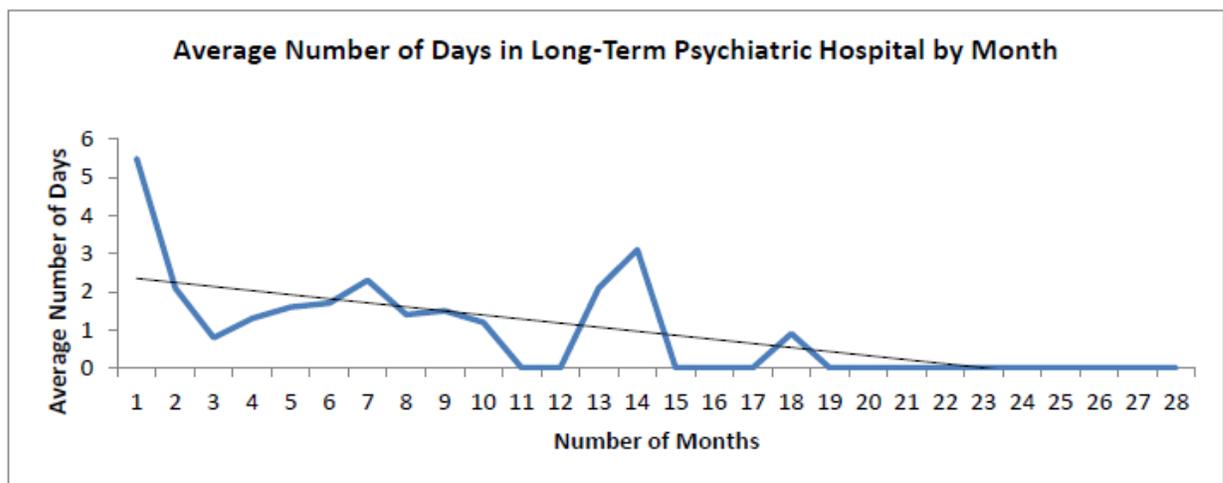


Turnover Rate – South Central Human Service Center

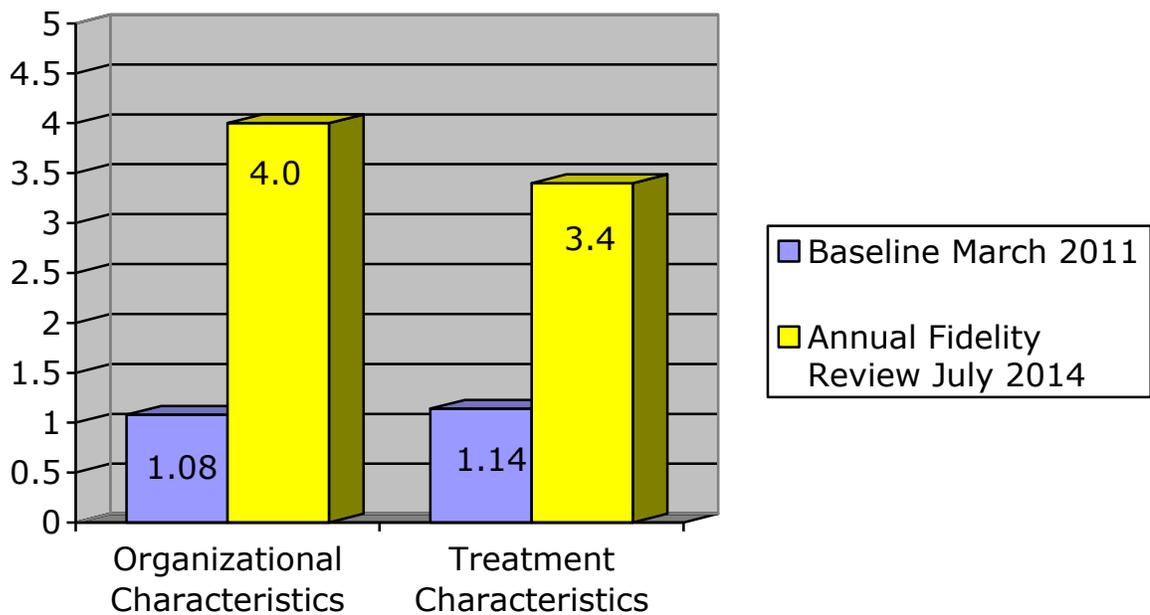


Integrated Dual Disorders Treatment (IDDT):

This program rolled out at SCHSC in March 2011 and incorporates key evidence-based treatment components into a team based approach to dual disordered client care, which has proven to improve the quality of life for individuals with co-occurring mental and chronic substance use disorders. IDDT outcomes include reduced rates of relapse, hospitalization, arrest, incarceration, and utilization of high cost services while increasing continuity of care, quality of life outcomes, stable housing, employment, and independent living.



Fidelity Review - Baseline vs. First Annual Review



Note the improvement in both the organizational and treatment characteristics of the SCHSC IDDT program from March 2011 to July 2014.

Child Welfare Services:

- In the child welfare area, the region continues to experience an increasing rate in the number of Child Protection Service (CPS) reports done in response to reports of child abuse. The regional number of children in foster care for SFY 2013 and SFY 2014 was above that for previous years.

Total Number of Paid (reimbursement to county social services for completing an assessment) CPS Assessments

Region	SFY 2012	SFY 2013	SFY 2014
Northwest	365	373	378
North Central	698	690	789
Lake Region	271	281	379
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Overview of Budget Changes – South Central Human Service Center

Description	2013–2015 Budget	Increase / (Decrease)	2015–2017 Executive Budget	Senate Changes	2015-2017 Budget To House
HSCs/Institutions	17,215,466	1,940,841	19,156,307	(283,189)	18,873,118
General Fund	9,261,360	1,379,806	10,641,166	(259,765)	10,381,401
Federal Funds	6,854,537	532,889	7,387,426	(23,424)	7,364,002
Other Funds	1,099,569	28,146	1,127,715	0	1,127,715
Total	17,215,466	1,940,841	19,156,307	(283,189)	18,873,118
Full Time Equivalent (FTE)	82.5	0.0	82.5	0.0	82.5

Budget Changes from Current Budget to Executive Budget

The overall budget increase of \$1,940,841 can be mainly attributed to the following:

- \$1,065,203 in total funds of which \$971,182 is general fund to fund the Governor’s compensation package;
- \$214,276 in total funds of which \$145,281 is general fund needed to continue the employee increases approved by the last Legislative Assembly;
- The salary underfunding changed from \$180,411 to \$197,031, which is a net change of (\$16,620);
- \$143,046 in temporary salaries to increase nursing coverage in Valley City from one day per week to four for \$74,280 and adding a full-time direct care associate to the transitional living facility for \$68,766;
- \$11,810 in shift differential due to the increase in the hourly rate for differential hours for days and weekends and the expanded hours that staff are eligible for the shift differential pay at the center’s transitional living facility;

- \$42,989 in Travel is mainly due to increased motor pool usage and increased rates established by the Department of Transportation for state fleet vehicles;
- (\$13,896) in IT-Communications costs due to a rate reduction in the amounts paid to the Information Technology Division.
- Grants, Benefits & Claims increased by \$277,861 and is mainly attributed to the following:
 - Inflationary increases of 4% each year of the new biennium for providers for a total of \$205,588;
 - An increase of \$72,008 to continue the contracted provider inflationary increases from the current biennium.

Senate Changes:

\$231,792 in total funds, of which \$208,368 is general fund to decrease the Governor's compensation package to reflect a change in the state employee performance increase from 3% - 5% to 2% - 4%, remove market policy point equity increase, and to remove the 1% retirement contribution.

\$51,397, in total funds, of which \$51,397 is general fund to decrease the annual provider inflation from 4% to 3% each year of the biennium.

This concludes my testimony on the 2015–2017 Executive Budget for South Central Human Service Center. I would be happy to answer any questions.